

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Small PHA Plan Update
Annual Plan for Fiscal Year: 2001-2002

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN
ACCORDANCE WITH INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

**PHA Plan
Agency Identification**

PHA Name: Municipality of San German

PHA Number: RQ030

PHA Fiscal Year Beginning: (mm/yyyy) 07/2001

PHA Plan Contact Information:

Name: Hon. Isidro Negron Irizarry, Mayor

Phone: 787-892-3500, ext. 2200

Name: Ivonne Rodriguez, Section 8 Coordinator

Phone: 787-892-3500, ext. 2243

TDD:

Email (if available): yvonnec@coqui.net

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:
(select all that apply)

- ☒ Main administrative office of the PHA
- ☐ PHA development management offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

- ☒ Main administrative office of the PHA
- ☐ PHA development management offices
- ☒ Main administrative office of the local, county or State government-Mayor's Office
- ☐ Public library
- ☐ PHA website
- ☐ Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- ☒ Main business office of the PHA
- ☐ PHA development management offices
- ☐ Other (list below)

PHA Programs Administered:

- ☐ Public Housing and Section 8 ☒ Section 8 Only ☐ Public Housing Only

Annual PHA Plan

Fiscal Year 2001

[24 CFR Part 903.7]

i. Table of Contents

Provide a table of contents for the Plan, including attachments, and a list of supporting documents available for public inspection. For Attachments, indicate which attachments are provided by selecting all that apply. Provide the attachment's name (A, B, etc.) in the space to the left of the name of the attachment. If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

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<input checked="" type="checkbox"/> Other (List below, providing each attachment name)	

Annual Plan Supplement – rq030a02

Organizational Chart - rq030b02

ii. Executive Summary

[24 CFR Part 903.7 9 (r)]

At PHA option, provide a brief overview of the information in the Annual Plan

This same **Annual Plan** provides a consolidated process, whereby a framework is provided for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance program, and other members of the public may locate basic, rules and requirements concerning its operations, programs and services as provided by the Municipality of San German.

The Municipality of San German has an established Section 8 Office that administers not only the Housing Choice Voucher Program but also other subsidized housing programs in order to assisted financially distressed families in meeting their housing needs, mainly decent, safe and sanitary housing as well as to their health and well-being. There are two major philosophy components in the tenant-based subsidized housing program:

1. To give extremely low-income and low-income families the opportunity of choice and mobility in selecting where they chose to live.
2. Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

Because of this philosophy, the families benefiting from the Housing Choice Voucher Program, which is tenant-based, does not tie the participant to any particular housing unit.

The Municipality also administers various subsidized housing programs geared towards certain sectors of the general population in order to afford them the same opportunities as other extremely low-income and low-income families within the general population. Being conscious of the housing needs of the growing number of families within our Municipality who remain poor, chronically unemployed, and basically dependent on government assisted programs, we have decided to pool our scarce resources with other adjacent PHA's, namely the Municipality of Hormigueros and Añasco, to hire an FSS Coordinator who can adequately attend the needs of our FSS Families. The lead PHA for this consortium is the Municipality of Hormigueros. The Municipality of San German administers the following program:

Family Self Sufficiency - a program whereby strategies are developed to coordinate the use of housing assistance under the auspices of the Housing Choice Voucher Program (Section 8) with public and private resources. Hence, enabling extremely low-income and low-income families, who are eligible to receive said assistance to achieve economic independence, and self -sufficiency.

The main purpose of the Municipal program is to assist disadvantaged families during financial distress and gradually reduce the amount paid by the program in an efficient manner, while at the same time motivating these families to become self-sufficient.

Furthermore, there is an undeniable need for low-income housing within the Municipality of San German as evidenced by the waiting list and the latest U.S. Census of Population. There also exists a need for quality housing units available for program participants but there is not an abundance of affordable housing for low-income families within this same Municipality. Conscious of this, our Municipality has established realistic and attainable goals, hence, giving particular thought to the number of families which can be expected to need and want better housing. By setting attainable goals, the Municipality intends to become a facilitator for those in need and for those who have available units by bringing them together in a manner beneficial to all principals. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). **The Municipality of San German is a Tenant-based (Section 8) only PHA.**

This same **Plan** for the Municipality of San German as presented hereinafter furthers HUD's statutory goal of merging the Certificate and Voucher Program, respectively, in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, whereby, the Municipality has established a unified vision of community actions. This same Plan will permit San German a chance to shape the various programs presented herein into effective, viable, and coordinated strategies, involving citizen participation.

1. Summary of Policy or Program Changes for the Upcoming Year

In this section, briefly describe changes in policies or programs discussed in last year's PHA Plan that are not covered in other sections of this Update.

The Municipality of San German does not contemplate any significant changes or deviation in its policies or programs from the previous year's PHA Plan that is not covered in other sections of this same Plan. The following represents what the Municipality will be doing for the fiscal year 2001-2002 in relation to its subsidized housing program.

2. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. ☐ Yes ☐ No: Is the PHA eligible to participate in the CFP in the fiscal year covered by this PHA Plan?

B. What is the amount of the PHA's estimated or actual (if known) Capital Fund Program grant for the upcoming year? \$ _____

C. ☐ Yes ☐ No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete the rest of Component 7. If no, skip to next component.

D. Capital Fund Program Grant Submissions

(1) Capital Fund Program 5-Year Action Plan

The Capital Fund Program 5-Year Action Plan is provided as Attachment

(2) Capital Fund Program Annual Statement

The Capital Fund Program Annual Statement is provided as Attachment

3. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

Applicability: Section 8 only PHAs are not required to complete this section.

1. ☐ Yes ☐ No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to next component ; if “yes”, complete one activity description for each development.)

2. Activity Description

Demolition/Disposition Activity Description (Not including Activities Associated with HOPE VI or Conversion Activities)
1a. Development name:
1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(DD/MM/YY)</u>
5. Number of units affected:
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development
7. Relocation resources (select all that apply) <input type="checkbox"/> Section 8 for units <input type="checkbox"/> Public housing for units <input type="checkbox"/> Preference for admission to other public housing or section 8 <input type="checkbox"/> Other housing for units (describe below)
8. Timeline for activity: a. Actual or projected start date of activity: b. Actual or projected start date of relocation activities: c. Projected end date of activity:

4. Voucher Homeownership Program

[24 CFR Part 903.7 9 (k)]

- A. ☒ Yes ☐ No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to next component; if “yes”, describe each program using the table below (copy and complete questions for each program identified.)

B. Capacity of the PHA to Administer a Section 8 Homeownership Program

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- ☒ Establishing a minimum homeowner downpayment requirement of at least 3 percent and requiring that at least 1 percent of the downpayment comes from the family’s resources
- ☒ Requiring that financing for purchase of a home under its section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards
- ☐ Demonstrating that it has or will acquire other relevant experience (list PHA experience, or any other organization to be involved and its experience, below):

5. Safety and Crime Prevention: PHDEP Plan

[24 CFR Part 903.7 (m)]

Exemptions Section 8 Only PHAs may skip to the next component PHAs eligible for PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- A. ☐ Yes ☐ No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
- B. What is the amount of the PHA’s estimated or actual (if known) PHDEP grant for the upcoming year? \$ _____
- C. ☐ Yes ☐ No Does the PHA plan to participate in the PHDEP in the upcoming year? If yes, answer question D. If no, skip to next component.
- D. ☐ Yes ☐ No: The PHDEP Plan is attached at Attachment _____

6. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board (RAB) Recommendations and PHA Response

1. ☒ Yes ☐ No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?
2. If yes, the comments are Attached at Attachment (File name) Required Attachment H
3. In what manner did the PHA address those comments? (select all that apply)
 - ☐ The PHA changed portions of the PHA Plan in response to comments
A list of these changes is included
 - ☐ Yes ☐ No: below or
 - ☐ Yes ☐ No: at the end of the RAB Comments in Attachment ____.
 - ☒ Considered comments, but determined that no changes to the PHA Plan were necessary. An explanation of the PHA's consideration is included at the at the end of the RAB Comments in Attachment H.
 - ☐ Other: (list below)

B. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction: (provide name here)
COMMONWEALTH OF PUERTO RICO
2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)
 - ☒ The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
 - ☒ The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
 - ☐ The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
 - ☐ Activities to be undertaken by the PHA in the coming year are consistent with specific initiatives contained in the Consolidated Plan. (list such initiatives below)
 - ☐ Other: (list below)
3. PHA Requests for support from the Consolidated Plan Agency
 - ☐ Yes ☐ No: Does the PHA request financial or other support from the State or local government agency in order to meet the needs of its public housing residents or inventory? If yes, please list the 5 most important requests below:

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

C. Criteria for Substantial Deviation and Significant Amendments

1. Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

A. Substantial Deviation from the 5-year Plan:

In accordance with established HUD rules and regulations, the following will be the basic criteria that will be utilized by the Municipality of San German and it will constitute a substantial deviation from its 5-Year Plan and/or amendment or modification to its Annual Plan that has met full public process requirements including Resident Advisory Board Review:

- Changes to rent (i.e., minimum rent), admission policies and/or organization of the waiting list;
- Additions of new activities not included in the current Annual Plan;
- Any change with regard to the administration of the current programs handled by the Municipality of San German.

B. Significant Amendment or Modification to the Annual Plan:

SAME AS ABOVE

Attachment A

Supporting Documents Available for Review

PHAs are to indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
x	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
x	State/Local Government Certification of Consistency with the Consolidated Plan (not required for this update)	5 Year and Annual Plans
	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
x	Housing Needs Statement of the Consolidated Plan for the jurisdiction/s in which the PHA is located and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
	Any policy governing occupancy of Police Officers in Public Housing <input type="checkbox"/> check here if included in the public housing A&O Policy	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan REVISED COPY OF ADM PLAN SUBMITTED WITH 5-YEAR PLAN TO HUD LOCAL OFFICE.	Annual Plan: Eligibility, Selection, and Admissions Policies
	Public housing rent determination policies, including the method for setting public housing flat rents <input type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
	Schedule of flat rents offered at each public housing development <input type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
x	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan SECTION X PAGE 28 ADMINISTRATIVE PLAN	Annual Plan: Rent Determination
	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
	Results of latest binding Public Housing Assessment System (PHAS) Assessment	Annual Plan: Management and Operations
	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
X	Any required policies governing any Section 8 special housing types <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan SECTION 16, PAGE 37 ADMINISTRATIVE PLAN	Annual Plan: Operations and Maintenance
	Public housing grievance procedures <input type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan SECTION 27, PAGE 39 ADMINISTRATIVE PLAN	Annual Plan: Grievance Procedures
	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for any active grant year	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing	Annual Plan: Capital Needs
	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing §504 of the Rehabilitation Act and the Americans with Disabilities Act. See, PIH 99-52 (HA).	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937	Annual Plan: Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (section III, PAGE 3 OF THE CURRENT ANNUAL PLAN AND SECTION 16, PAGE 37 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
	Cooperation agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8 COPY OF PLAN SUBMITTED WITH 5-YEAR TO LOCAL HUD OFFICE	Annual Plan: Community Service & Self-Sufficiency
	Section 3 documentation required by 24 CFR Part 135, Subpart E	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
	The most recent Public Housing Drug Elimination Program (PHDEP) semi-annual performance report	Annual Plan: Safety and Crime Prevention
	PHDEP-related documentation: <ul style="list-style-type: none"> · Baseline law enforcement services for public housing developments assisted under the PHDEP plan; · Consortium agreement/s between the PHAs participating in the consortium and a copy of the payment agreement between the consortium and HUD (applicable only to PHAs participating in a consortium as specified under 24 CFR 761.15); · Partnership agreements (indicating specific leveraged support) with agencies/organizations providing funding, services or other in-kind resources for PHDEP-funded activities; · Coordination with other law enforcement efforts; · Written agreement(s) with local law enforcement agencies (receiving any PHDEP funds); and · All crime statistics and other relevant data (including Part I and specified Part II crimes) that establish need for the public housing sites assisted under the PHDEP Plan. 	Annual Plan: Safety and Crime Prevention
	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G) <input type="checkbox"/> check here if included in the public housing A & O Policy	Pet Policy

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	The results of the most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary					
PHA Name:		Grant Type and Number Capital Fund Program: Capital Fund Program Replacement Housing Factor Grant No:			Federal FY of Grant:
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: </div> <div> <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report </div> </div>					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1498 Mod Used for Development				
19	1502 Contingency				
20	Amount of Annual Grant: (sum of lines 2-19)				
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Compliance				
23	Amount of line 20 Related to Security				

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary					
PHA Name:		Grant Type and Number Capital Fund Program: Capital Fund Program Replacement Housing Factor Grant No:			Federal FY of Grant:
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: </div> <div> <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report </div> </div>					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
24	Amount of line 20 Related to Energy Conservation Measures				

Part II: Supporting Pages

[illegible]

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

[illegible]

Capital Fund Program 5-Year Action Plan

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

CFP 5-Year Action Plan			
<input type="checkbox"/> Original statement <input type="checkbox"/> Revised statement			
Development Number	Development Name (or indicate PHA wide)		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Total estimated cost over next 5 years			

PHA Public Housing Drug Elimination Program Plan

Note: THIS PHDEP Plan template (HUD 50075-PHDEP Plan) is to be completed in accordance with Instructions located in applicable PIH Notices.

Section 1: General Information/History

A. Amount of PHDEP Grant \$_____

B. Eligibility type (Indicate with an “x”) **N1**_____ **N2**_____ **R**_____

C. FFY in which funding is requested _____

D. Executive Summary of Annual PHDEP Plan

In the space below, provide a brief overview of the PHDEP Plan, including highlights of major initiatives or activities undertaken. It may include a description of the expected outcomes. The summary must not be more than five (5) sentences long

E. Target Areas

Complete the following table by indicating each PHDEP Target Area (development or site where activities will be conducted), the total number of units in each PHDEP Target Area, and the total number of individuals expected to participate in PHDEP sponsored activities in each Target Area. Unit count information should be consistent with that available in PIC.

PHDEP Target Areas (Name of development(s) or site)	Total # of Units within the PHDEP Target Area(s)	Total Population to be Served within the PHDEP Target Area(s)

F. Duration of Program

Indicate the duration (number of months funds will be required) of the PHDEP Program proposed under this Plan (place an “x” to indicate the length of program by # of months. For “Other”, identify the # of months).

12 Months_____ **18 Months**_____ **24 Months**_____

G. PHDEP Program History

Indicate each FY that funding has been received under the PHDEP Program (place an “x” by each applicable Year) and provide amount of funding received. If previously funded programs have not been closed out at the time of this submission, indicate the fund balance and anticipated completion date. The Fund Balances should reflect the balance as of Date of Submission of the PHDEP Plan. The Grant Term End Date should include any HUD-approved extensions or waivers. For grant extensions received, place “GE” in column or “W” for waivers.

Fiscal Year of Funding	PHDEP Funding Received	Grant #	Fund Balance as of Date of this Submission	Grant Extensions or Waivers	Grant Start Date	Grant Term End Date
FY 1995						
FY 1996						
FY 1997						
FY1998						
FY 1999						

Section 2: PHDEP Plan Goals and Budget

A. PHDEP Plan Summary

In the space below, summarize the PHDEP strategy to address the needs of the target population/target area(s). Your summary should briefly identify: the broad goals and objectives, the role of plan partners, and your system or process for monitoring and evaluating PHDEP-funded activities. This summary should not exceed 5-10 sentences.

B. PHDEP Budget Summary

Enter the total amount of PHDEP funding allocated to each line item.

FFY _____ PHDEP Budget Summary	
Original statement	
Revised statement dated:	
Budget Line Item	Total Funding
9110 – Reimbursement of Law Enforcement	
9115 - Special Initiative	
9116 - Gun Buyback TA Match	
9120 - Security Personnel	
9130 - Employment of Investigators	
9140 - Voluntary Tenant Patrol	
9150 - Physical Improvements	
9160 - Drug Prevention	
9170 - Drug Intervention	
9180 - Drug Treatment	
9190 - Other Program Costs	
TOTAL PHDEP FUNDING	

C. PHDEP Plan Goals and Activities

In the tables below, provide information on the PHDEP strategy summarized above by budget line item. Each goal and objective should be numbered sequentially for each budget line item (where applicable). Use as many rows as necessary to list proposed activities (additional rows may be inserted in the tables). PHAs are not required to provide information in shaded boxes. Information provided must be concise—not to exceed two sentences in any column. Tables for line items in which the PHA has no planned goals or activities may be deleted.

9110 – Reimbursement of Law Enforcement					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount/ Source)	Performance Indicators
1.							
2.							
3.							

9115 - Special Initiative					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount/ Source)	Performance Indicators
1.							
2.							
3.							

9116 - Gun Buyback TA Match					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9120 - Security Personnel					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDep Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9130 – Employment of Investigators					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9140 – Voluntary Tenant Patrol					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9150 - Physical Improvements					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9160 - Drug Prevention					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDep Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9170 - Drug Intervention					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDep Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9180 - Drug Treatment					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Person s Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9190 - Other Program Costs					Total PHDEP Funds: \$		
Goal(s)							
Objectives							
Proposed Activities	# of Person s Served	Target Population	Start Date	Expected Complete Date	PHEDep Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

Required Attachment F: Resident Member on the PHA Governing Board

1. ☐ Yes ☒ No: Does the PHA governing board include at least one member who is directly assisted by the PHA this year? (if no, skip to #2)

A. Name of resident member(s) on the governing board:

B. How was the resident board member selected: (select one)?

- ☐ Elected
☐ Appointed

C. The term of appointment is (include the date term expires):

2. A. If the PHA governing board does not have at least one member who is directly assisted by the PHA, why not?

- ☐ the PHA is located in a State that requires the members of a governing board to be salaried and serve on a full time basis
☐ the PHA has less than 300 public housing units, has provided reasonable notice to the resident advisory board of the opportunity to serve on the governing board, and has not been notified by any resident of their interest to participate in the Board.
☒ Other (explain):

The PHA is located in a State where the Housing Choice Voucher Program (Section 8 Tenant-Based), which is run by the local municipal government. The executive director of the PHA is the locally elected Mayor of the City.

B. Date of next term expiration of a governing board member:

C. Name and title of appointing official(s) for governing board (indicate appointing official for the next position):

Required Attachment G: Membership of the Resident Advisory Board or Boards

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provide a description sufficient to identify how members are chosen.)

The Resident Advisory Board for the Municipality of San German's locally administered Housing Choice Voucher Tenant-based Program was elected on March 28, 2001 by the families benefiting from the Program. The Board is composed of six (6) members and the term for the board is one year. Annually the families come together to vote and elect their board members. The following is a list of the members that make up the board.

1. President

Mrs. Elba Torres-Alicea
Urb. La Monserrate
31 Central Avenue
San German, PR 00683
2. Vice-president

Mrs. Marisa Aleman-Alicea
Variante Int. 18-1
San German, PR 00683
3. Secretary

Mrs. Marianela Rodriguez-Roman
PO Box 541
San German, PR 00683-0541
4. Vocal

Mrs. Gladys Cabrera
PO Box 654
San German, PR 00683-0654
5. Vocal

Mr. Julio Angelero-Torres
PO Box 2907
San German, PR 00683-2907

6. Vocal

Mrs. Zulma Camacho Vazquez
Call Box 5000--269
San German, PR 00683

**Required Attachment H: Resident Advisory Board (RAB)
Recommendations and Response**

The local RAB met and discussed the overall structure of the Annual Plan to be presented to HUD in accordance with established rules and regulations. The board approved the plan and thank the Municipality for allowing them to partake in the preparation of said plan.

Required Attachment I: Required Attachments

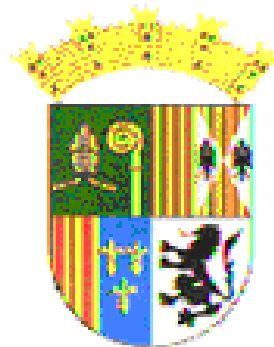
1. **Statement of Housing Needs is located in the attached annual supplement, Section X, page 17.**
2. **Statement of PHA's Rent Determination is located in the attached annual supplement, Section VIII, page 11.**
3. **Statement of PHA's Grievance Procedure is located in the attached annual supplement, Section VII, page 9.**
4. **Statement of Progress is located in the attached annual supplement, Section IV, page 5.**



MUNICIPALITY OF SAN GERMÁN

RQ 030

ANNUAL PLAN
FY 2001-2002



HON. ISIDRO NEGRÓN IRIZARRY
MAYOR

IRMA SOTO
FEDERAL FUNDS DIRECTOR

IVONNE RODRÍGUEZ
SECTION 8 COORDINATOR

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I EXECUTIVE STATEMENT

This same Annual Plan provides a new consolidated process that provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance program, and other members of the public may locate the Municipality of San Germán's basic policies, rules and requirements concerning its operations, programs and services.

The Municipality of San Germán has established the Section 8 Office to administer the Housing Choice Voucher Program, as well as other tenant-based (Section 8) subsidized housing programs in order to assist financially disadvantaged families in meeting their housing needs, mainly decent, safe and sanitary housing as well as to their health and well-being. There are two major philosophy components in the tenant-based subsidized housing program:

- A. To give extremely low-income and low-income families the opportunity of choice and mobility in selecting where they chose to live;
- B. Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

As a result of this philosophy the Housing Choice Voucher Program is tenant-based and does not tie the participant to any particular housing unit.

This Municipality also administers various tenant-based subsidized housing programs geared towards certain sectors of the population in general to afford them the same opportunities as other extremely low-income and low-income families within the general population. Being conscious of the housing needs of the growing number of families within our Municipality who remain poor, chronically unemployed, and basically dependent on government assisted programs, we have decided to pool our scarce resources with other adjacent PHAs, namely the Municipality of San Germán and Añasco, to hire an FSS Coordinator who can adequately attend the needs of our FSS families. The lead PHA for this consortium is the Municipality of San Germán. The following program is administered by the Municipality of San Germán:

Family Self Sufficiency – a program whereby strategies are developed to coordinate the use of housing assistance under the auspices of the Housing Choice Voucher Program (Section 8) with public and private resources. Hence, enabling extremely low-income and low-income families, who are eligible to receive said assistance to achieve economic independence, and self-sufficiency.

The purpose of the Municipal Tenant-based (Section 8) program was designed to assist the families during financial distress and gradually reduce the amount paid by the program in an efficient manner, while at the same time motivating these same families. Furthermore, there is an undeniable need for low-income housing within the Municipality of San Germán as evidenced by the waiting list as well as the 1990 U.S. Census of Population. There also exists a need for quality housing units available for program participants but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the Municipality intends to become a facilitator for those in need and for those who have available units by coming together in a manner beneficial to all principals. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). The Municipality of San Germán is a Tenant-based (Section 8) only PHA.

This same Annual Plan of San Germán as presented hereinafter furthers HUD's statutory goal of merging the Certificate and Voucher Program, respectively, in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, whereby, the Municipality of San Germán has established a unified vision of community actions. This same Plan will permit San Germán a chance to shape the various programs presented herein into effective, viable, and coordinated strategies, involving citizen participation.

II SUMMARY OF POLICY OR PROGRAM CHANGES FOR THE UPCOMING YEAR

There are no policy changes or programs which would deviate from the five-year (2000-2004) that was presented last year by the Municipality of San Germán. The following represents what are Municipality will be doing

to combat the devastating effects that our economy is facing from the recent plant closings during the up and coming fiscal year 2001-2002.

III HOMEOWNERSHIP: VOUCHER HOMEOWNERSHIP PROGRAM

One of the major objectives of the present Administration within the Municipality of San Germán is to create the maximum opportunities for both low and very low income families so that they may become first time homeowners. Experience has clearly demonstrated that homeowners take more pride in, and better care of their individual housing units, than those families who occupy rental units. This fact will clearly assist in:

- ‘ Eliminating blight and blighting conditions within low income areas by preserving existing housing units.
- ‘ Develop self-sufficiency by encouraging other low and very low income families to become self-sufficient, in order to qualify as first-time homeowners.
- ‘ Revitalize and stabilize existing and deteriorated low income neighborhoods.

The municipality has as a continuing goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will attempt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal.

We feel rather strongly that the following actions listed below addresses the obstacles that may be faced by potential buyers.

ACTIVITIES:

- ‘ **PROVIDE GREATER ASSISTANCE IN MEETING BOTH
DOWN PAYMENT AND CLOSING COST REQUIREMENTS:**

One of the greatest barriers to homeowners by potential low income purchases, are the initial costs, such as down payment and closing costs. The Municipality will, working with such housing agencies as previously set-forth within this same submission, in order to create both a viable and

effective program whereby low income families have the opportunity to become first-time homeowners.

OBJECTIVE: CREATE AFFORDABLE HOUSING WITHIN THE COMMUNITY:

Affordable housing within the Municipality of San Germán has been adversely impacted by the following factors over time:

1. Family Income;
2. Land Costs;
3. Financing;
4. Lack of Available Land for Development.

Bearing this in mind, the Municipality of San Germán will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

ACTIVITIES:

IMPROVE LAND DEVELOPMENT REGULATIONS:

At the present time the Puerto Rico Planning Board is the primary regulatory agency of the State government, that deals with land use and requirements for construction of housing sub-division, which combined with requirements of other State agencies tend to create obstacles to affordable housing. In this regard, the municipality will be working with our elected officials, namely-both the State Representative in the House of Representatives and our State Senator, in order to study existing applicable regulations and their impact upon the local housing market. Additionally, both the Mayor and representatives of the municipality will be working with their counterparts within the Planning Board in reviewing existing land policies.

PROVIDING FOR THE COORDINATION OF FUNDING:

In order to achieve any degree of success in creating affordable housing for households classified as being either low or very low income,

requires funding for multiple funding sources. The Municipality will take into account and consider the appropriate changes in order to implement the Homeownership Program, whereby, it will consider the following:

1. Assistance will be provided for:
 - a. First time homeowner
 - b. Family that owns or is acquiring shares in cooperative.
2. The Program will become available to families participating in our Family Self Sufficiency Program
3. The total family that will be serviced through this program will be limited to approximately 9 families.
4. Funding levels.

The Municipality of San Germán will take into account and consider the appropriate changes in order to improve the application process for all federal programs that may have a beneficial impact upon the local housing market and affect programs covered within our Five-Year Plan.

IV STATEMENT OF PROGRESS IN MEETING THE 5-YEAR PLAN MISSION AND GOALS

Within the first year of its 5-Year Plan, the Municipality of San Germán has achieved the following:

- ' Consolidated the Section 8 Voucher and Certificate Program, respectively, into a single market-driven program.
- ' Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low income families within our homogeneous community.
- ' Continue with our established goal of providing improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.
- ' Provide an incentive to private owners to rent their dwelling units too economically disadvantaged families by offering timely assistance payments and protection against unpaid rent, damages, and vacancy loss.

While the Municipality of San Germán is pleased with what has been accomplished so far, San Germán is very much cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality of San Germán continues to evaluate the goals and strategies that have been established so that it can better meet the demand of housing.

V FINANCIAL RESOURCES

OBJECTIVE: IMPROVE OPPORTUNITIES UNDER RENTAL HOUSING

Due to the economic situation which our Municipality is facing at the current time, renters experience more housing problems than do homeowners' which has been our own experience under our own local Housing Choice Voucher Program (Section 8). When renters are compared to homeowners of the same household type and income levels, the percentage of renters with housing problems is higher than owners.

We have identified the need for rental housing based upon the number of requests made to the Municipality by the population at large to numerous Municipal Agencies. In most cases, it was primarily a general need for more rental housing, since better than 80% of the population does not qualify to purchase a dwelling unit and require some type of rental assistance. It is in this regard that the Municipality of San Germán has maintained it's one year goal to provide assistance of upwards to approximately 50 households with rental housing assistance.

The activities that will be undertaken by the Municipality to accomplish this goal are:

A. Housing Funding Sources -

Seek out whenever available alternative housing Programs as they become available from such agencies as the Rural Economic and Community Development, Puerto Rico Housing Department, Housing Development of the Commonwealth of Puerto Rico, the U.S. Department of Housing and Urban Development; and local cooperatives, etc.

Additionally, work with island housing contractors that may be interested in constructing housing units within San Germán, by offering incentives and assistance in one form or another that may be legally

acceptable, in order to encourage such contractors to participate in the local housing market (short-term and long-term).

B. Additional Subsidized Funding under the Voucher Program

The Municipality of San Germán will work closely with the U.S. Department of Housing and Urban Development (HUD) in attempting to obtain additional vouchers if and when they become available, thus the Municipality will not only reinforce its Family Self-Sufficiency Program but will be to increase the number of families being serviced.

C. Target available assistance to Families with special needs

Family Self Sufficiency Program-

The purpose of this FSS Program is to promote the development of local strategies to coordinate the use of public and private resources to enable families eligible to receive assistance under the Voucher Programs achieve economic independence and self-sufficiency.

D. Available Funding Sources

The Municipality of San Germán will submit for HUD's consideration its Annual Plan (FY 2001-2002) in accordance with CFR 24, Section 903.1.

In order to assist the needs of 78 families that are currently enjoying the benefits of the Municipality of San Germán's tenant-based housing assistance program, we will be submitting for HUD's approval the following budget:

SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL	
PROGRAM	BUDGET ESTIMATE
Housing Choice Voucher Program Activities: Tenant-based Housing Assistance for 69 families.	\$ 320,028.00
Family Self-Sufficiency Program Activities: Tenant-based Housing Assistance for 9 Families.	\$ 45,540.00
Program Administration	\$ 49,345.00
TOTAL ESTIMATE OF BUDGET TO BE SUBMITTED TO HUD FOR APPROVAL	\$ 414,913.00
TOTAL FOR THE MUNICIPALITY OF SAN GERMÁN' HOUSING BUDGET (GRAND TOTAL)	\$ 414,913.00

VI PHA'S COMMUNITY SERVICE AND SELF-SUFFICIENCY PROGRAM

The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of assistance under the Tenant-based Housing Assistance Program (Housing Choice Voucher Program) with public and private resources, to enable families receiving assistance under this same program achieve economic independence and self-sufficiency.

The Municipality of San Germán has developed and implemented an FSS Program in conformity with the Housing Choice Voucher Program (Section 8) regulations and applicable civil rights authorities. At the current time the Municipality has monies allocated to assist 9 families of low and very low income. It has been successful in the implementation of said programs due to the hard work and motivation provided by not only the Section 8 Staff but also by the Professional consulting firm.

Upon its inception, the Municipality appointed and has received funding for an FSS Coordinator to carry out the necessary functions in the

formal structure of the Coordinating Committee. The Program Coordinating Committee (PCC) is integrated by professional representatives from public and private enterprises, church groups, community leaders, local business, and other resources. The representatives from these entities have an input in the program design and action steps of the FSS Program and are responsible for such functions as:

- A. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.
- B. Coordinating the needed actions for the selection of committee representatives.
- C. Making specific commitments of time, staff, and resources to the program.
- D. Providing input into the program research and evaluation process.

VII PHA'S GRIEVANCE PROCEDURE

A. Informal Review

At all times the Municipality will afford an applicant family the opportunity to request an informal review of any decision made to deny assistance under the Housing Choice Voucher Program.

Specifically, the Municipality will be required to notify an applicant in writing that assistance has been denied no later than fifteen (15) working days after said decision has been made. Within this same written notice, the applicant will be informed of their right to appeal the decision either in written form or verbal. Additionally, the participant must be advised by the Municipality, that they have some thirty (30) days from the date of the written notice to request an informal hearing. Such a request may be either in written or oral form, and that the participant has the right to be represented by another family member, friend, and/or legal counsel.

Furthermore, the Municipality in advising the participant of his rights, must be stated within the denial letter the reason for the decision and at the same time reference that part of existing law, regulation and more specifically HUD regulation that was used a basis for denying assistance to the family participant.

B. Hearing Procedures

The following represents the Municipality of San Germán established procedures for conducting an informal hearing for participants:

1. The family will be given an opportunity to review any HA documents that are deemed necessary before the hearing. The PHA will permit the family to copy any such document at the family's expense.

2. It is agreed that the PHA must be given the opportunity to examine at its office any family documents that are directly relevant to the hearing. The PHA is therefore allowed to copy any such documents at its own expense. It is then agreed, that if the family does not make the document available for examination at the request of the PHA, the family will not be permitted to submit the document(s) at the hearing.

3. Representation of the Family

The Municipality agrees that, at its own expense, the family may be represented by legal counsel or other representative(s).

4. Hearing Officers

The hearing will be conducted by a member of the legal staff of the municipality, or by any other person so designated by the Mayor, other than a person who made or approved the decision under review or a subordinate of this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

5. Evidence

The Municipality and the family will be given the opportunity to present evidence as well as question any witnesses brought forth by either party. The Municipality agrees that the evidence presented will be

considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

6. Issuance of Decision

The Municipality has agreed that the person who will be conducting the hearing must issue a written decision within thirty (30) days of the date of the informal hearing, which states the reasons for the decision taken. The Municipality has agreed, that factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

7. Effect of Decision

The Municipality will not be bounded by a hearing decision as described in section 982.555(f) of the Federal Register.

VIII RENT DETERMINATION

A. Total Tenant Payment

Computation of the total tenant payment will be determined in accordance with 24 CFR Part 5, Section 5.613. The computation of TTP will be made once all income has been duly accounted and properly verified and all credits and unusual expenses have been determined eligible under the other applicable factors.

B. The total tenant payment will be the highest of the following amounts:

1. 30 percent of the family's monthly adjusted income;
2. 10 percent of the family's monthly income;
3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing;

4. Minimum rent in accordance with applicable provisions of Section 5.616.
5. A family renting a unit above the payment standard pays the higher of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent, and the amount of rent above the payment standard but not more than 40% as the cap established by QHWRA of income on the family share of rent for initial leasing of any unit.

C. Minimum Rent

The minimum rent established by the PHA will be \$25.00.

D. Hardship exemption

1. Should a family request a hardship exemption, said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.
2. The following will be considered as financial hardship:
 - a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;
 - b. When the family would be evicted as a result of the imposition of the minimum rent requirement;
 - c. When the income of the family has decreased because of changed circumstances, including loss of employment;
 - d. When a death has occurred in the family;
 - e. Other circumstances as determined by the Municipality of San Germán.

E. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of San Germán will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of San Germán determines whether there is a qualifying financial hardship and whether it is temporary or long-term.
2. If the Municipality of San Germán determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of San Germán will not impose a minimum rent for a period of no more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.
3. If the Municipality of San Germán has determined that there is no qualifying hardship exemption, the Municipality of San Germán will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.
4. If the Municipality of San Germán determines that there is a qualifying long-term financial hardship, the family will be exempted from the minimum rent requirement in compliance with 24 CFR Part 5, Section 5.616.

F. Appeal of financial hardship

Should the family appeal the financial hardship determination through the Municipality of San Germán's grievance procedure, it will be exempt from any escrow deposit that may be required in accordance with 24 CFR Part 5, Section 5.616.

G. Payment Standard

A payment standard will be set between 90%-110% of the Fair Market Rent for the PHA jurisdiction as established by QWHRA. The Municipality of San Germán has a payment standard of 100% of the FMR Metro Area.

The following represents the subsidy standards that determine the number of bedrooms required for families of various sizes and compositions:

0 BR	1 BR	2 BR	3 BR	4 BR
255	311	369	459	517

The local area Office of HUD, namely the Economic and Market Analysis Division (EMAD), as well as the HUD Public Housing Director will be consulted on an annual basis, so as to confirm that the FMR employed are both accurate and reflect the general cost of housing for our area.

In the case of the PHA requesting a revision to the existing FMR, the PHA will include documentation showing the current median rent for standard units in our area. In this regard the PHA's recommendations will be supported by such analytical data such as:

- ' Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPI) factors used to update the Annual Housing Services based Median Rent.
- ' When convenient and/or required the PHA will provide local housing Market surveys that indicate the current median rent levels for standard units of various sizes within our designated FMR area.

H. Determination of Unit Size in Relation to Family Composition

The Municipality of San Germán has applied the following requirements when determining the unit size in relation to the family composition under our subsidy standards:

1. The subsidy standards provide for the smallest number of bedrooms required to house a family without causing overcrowding;
2. The subsidy requirements are consistent with space requirements under the Housing Quality Standards;
3. The subsidy standards have been applied consistently for all families of like size and composition;
4. A child who may be temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size;
5. A family consisting of only a pregnant woman will be treated as a two-person family;
6. Any live-in aide which has been authorized by the Municipality to reside within the unit to care for a family member who is either disabled or at least 50 years of age will be counted in determining the family unit size;
7. The Municipality has agreed, that unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one bedroom unit.
8. The Municipality will grant an exception to its established subsidy standards, in determining the family unit size for a dwelling unit, if it determines that the exception is justified by the age, sex, health, handicapped or relationship of family members or other personal circumstances.

I. Exceptions to FMR on a Unit by Unit Basis

The PHA is entitled to establish its payment standard from 90%-110% of the FMR approved for Metropolitan area of the PHA. The PHA will be allowed to approve initial gross rents on a unit by unit basis which exceed the FMR's or payment standard established by the PHA for units,

which by virtue of size, amenities or location, or in the case of expanding housing opportunities for low income families, or to obtain units which have been made accessible to the disabled, which are determined to warrant exception rents. The PHA accepts the fact that this same authority will not be exercised for more than 20 percent of the units authorized by the ACC.

H. Affordability Adjustments

Upon recertification/redetermination of the applicant, any adjustments will be to the appropriate Payment Standard established by the PHA. Where it has been accurately determined by the PHA that based upon the documentation available to the PHA, that an overpayment was made by the PHA, the PHA will immediately advise the participant of the same and request a meeting in order to establish a repayment schedule or other acceptable plan in order for the PHA to recover the overpayment.

L. Rent Adjustments

Rent adjustments requested by landlords will be processed as indicated in Section 982.509 Federal Register, April 30, 1998, page 23863. The owner must request said revision to the contract rent sixty (60) days prior to the HAP contract anniversary date.

IX CIVIL RIGHTS CERTIFICATION

The Municipality has agreed that it will comply with all Equal Opportunity requirements, both State and Federal such as:

1. The Fair Housing Act, 42 U.S.C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
2. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d (implementing regulations 24 CFR part 1);
3. The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107 (implementing regulations at 24 CFR part 146);
4. Executive Order 11063, Equal Opportunity in Housing (1962) as amended. Executive Order 12259, 46 FR. 1253 (1980), as amended. Executive Order 12892, 59 FR. 2939 (1994) (implementing regulations at 24 CFR part 107);

5. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 (implementing regulations at 24 CFR part 8); and
6. Title II of the Americans with Disabilities Act, 42 U.S.C. 12101, et. Esq.
 - a. For the application of equal opportunity requirements to an Indian Housing Authority, see 24 CFR 950.115.
 - b. The Municipality must submit a signed certification to HUD of the PHA's intention to comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act.

X HOUSING NEEDS

The following represents the estimated housing needs projected for the next five-year (2000-2004) period. The data included within this portion of the plan is based upon existing available U.S. Census data, as well as Puerto Rico Housing Planning Board statistical data, and other reliable sources such as the local housing authority, and other similar agencies such as the Commonwealth Department of the Family.

Since this same jurisdiction, namely the Municipality of San Germán is not seeking funding on behalf of an eligible metropolitan statistical area under the HOPWA program, the needs described for housing and supportive services does not address the needs of persons with HIV/AIDS and their families throughout the eligible metropolitan statistical area.

A. Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) Data book issued by the U.S. Department of Housing and Urban Development, indicates that the Municipality of San Germán, has a total of some 10,776 housing units, of which some 7,091 units are occupied by very low income families, 1,888 units by low income families, 528 units by moderate income families and some 1,289 housing units are being occupied by above income families.

It should be noted, that the housing needs were based upon the number of renter and owner-occupied units with one or more housing

problems. The definition of housing units with problems included those that:

1. Occupying units having physical defects or being in deteriorated state.
2. Classified as being overcrowded.
3. Meet the definition of having a cost burden of more than 30 percent.

Based upon the latter, housing needs were determined to represent a major problem in terms of identifying housing problems in both renter and owner-occupied households with more than one problem, such as residing within overcrowded, deteriorated and/or dilapidated dwelling units, or meeting the definition of housing cost burdens greater than 30 percent of family's income.

B. Renter Households

Of the total 10,776 year-round housing units within the Municipality of San Germán, some 2,711 units are occupied by renter's on a year-round basis, of which 2,055 units have some type of housing problem.

It is estimated from figures obtained from such sources as the Department of Housing; Social Services; the Family; Planning Board, and our own internal figures based upon demands from the public at large upon local public housing units, and upon our locally administered Tenant-Based Subsidized Housing Program, that rental housing demands will require some additional 400 units by the year 2004, for a total renter household size of 3,111. This is assuming that the present economic conditions will stabilize at present levels, and that all social programs currently in place, will continue to be funded at present levels over the next five years. Should any existing social program be eliminated and/or receive severe cutbacks, the demand for renter households will then sky-rocket at unpredictable levels.

It should be noted, that this same increase of 400 additional rental units on the local housing market, will, it is estimated, be among the extremely low and low income segment of our local society who are either unable and/or unwilling to relocate to other communities.

C. Cost Burden

There were out of a total of 2,711, some 722 rental households bearing a cost burden in excess of 30% of income, while at the same time

some 277 rental households suffered from a cost burden above the 50% of income level.

D. Substandard Units

Within the category of defining a substandard unit within the rental household group, it was determined that of these 275 units were found to be in deteriorating or dilapidated condition.

E. Overcrowded Units

According to the CHAS Data book dated 1990 there were some 355 renters occupied housing units which were classified as being in an overcrowded condition. Additionally, some 47.0% of large family renter households likewise, represented overcrowded conditions.

In this regard, and based upon the statistical data presented herein and from such reliable sources as the Planning Board, Housing, Social Services, and our own local appraisal based upon our locally administered Tenant-based program we have identified the following Renter Households by Income Groups and categories:

MUNICIPALITY OF SAN GERMÁN RENTER HOUSEHOLDS BY INCOME GROUPS: 1990

RENTER HOUSEHOLDS	EXTREMELY LOW INCOME (0-30%)	VERY LOW INCOME (31-50%)	LOW INCOME (51-80%)	MODERATE INCOME (81-95%)	TOTAL
ELDERLY	358	99	33	7	497
SMALL FAMILIES	662	264	235	83	1244
LARGE FAMILIES	284	110	53	15	462
OTHER	154	52	40	6	252
TOTAL	1458	525	361	111	2455

F. Elderly Rental Households

According to the 1990, CHAS Data book, there was a total of some 497 renter households within the Municipality of San Germán of which 358 were classified as being of extremely low income, 99 households classified as being very low income, 33 households that were classified as being of moderate income and 7 as being above income levels.

G. Cost Burden

Within this same income category involving elderly households, some 163 were within the 0-30% and 63 households were withing 31-50% range.

H. Small Family Rental Households

The small family rental household category, some 1,244 households, represented the following numbers:

1. 662 units were classified as being of extremely low income;
2. 264 units were classified as being of very low income;
3. 235 units were classified as being of low income;
4. 83 units were classified as being of moderate income.

I. Cost Burden

Within this same Small Family renter's household group some 53.22% of the households were classified as being of extremely low income, 21.2% households of very low income, 18.89% households of low income, and finally, 6.67% represented moderate income levels.

J. Large Family Renter Households

This same Comprehensive Housing Affordability Strategy (CHAS) Data book covering Puerto Rico and dated 1990, indicated that there was a total of some 462 large rental household families, of which some 284 were classified as being of extremely low income; 110 were classified as very low income and some 53 large family renter households representing low income families, as well as 15 large family renter households representing moderate income.

K. Cost Burden

Within this same large family renter's household income group of some 124 households fall within the 0-30% group and 28 such households are within the 31-50% range.

L. Homeless Persons

From a review of available reliable statistical data available at the present time, the Municipality of San Germán does not possess any homeless persons. Perhaps one of the reasons may be, that (1) San Germán is a rather small college community as well as a tight-knit community that in terms of population and therefore does not possess a highly developed central business district with all-night bars, cafeterias, bus stations, etc., where homeless people tend to congregate with total immunity, and (2) Since San Germán is adjacent to the metropolitan area of Mayaguez and not far from the metropolitan area of Ponce which does possess the latter sites that tend to attract homeless persons, they would tend to relocate to these other areas and thus free San Germán of having to deal with this same problem.

Since San Germán does not possess any homeless population, it has no need for shelters or supportive services covering this same segment of its local population.

M. Persons with Disabilities

Utilizing various information available to the Municipality of San Germán including both the U.S. Census (1990), the Puerto Rico Planning Board, and likewise numerous state and local agencies having to deal with disabilities, we likewise have estimated our needs fairly accurately.

According to the Puerto Rico Developmental Disabilities Planning Board, it is a nationally accepted fact that within the general population, 1.8 percent will have one form or another of a developmental disability. In this respect, San Germán with a 1990 total population of some 34,962, it is estimated that 629 persons are classified as having a developmental disability.

N. Persons With Physical and Developmental Disabilities

Within San Germán the 629 estimated persons as having been classified as having either a physical or developmental disabilities are currently residing with other family members, or residing within a rental unit.

One of the projects requested within our first year of activities is housing rehabilitation, a part of which, will be devoted not only to

remove or correct health or safety hazards, in order to comply with applicable development standards or codes, and/or to improve general living conditions of the resident(s), including improved accessibility by handicapped persons.

At the present time there are no known day care centers, either private or public for developmental disability within San Germán. These same services are rendered in the adjacent municipality of Mayaguez.

Within San Germán several obstacles prevent the disabled from obtaining adequate housing:

- ' Proper accessibility;
- ' Centrally located housing convenient to public transportation;
- ' The need for additional rent subsidies as those afforded under HUD's tenant-based subsidized housing programs.

It is the intent of the present Mayor to seek out and obtain funds from other sources in order to provide new housing for this segment of the population. It is anticipated that the Municipality of San Germán will require some 200 additional supportive units over the next five years in order to serve both existing and anticipated needs within this same segment of its society.

Needless to say, any additional new units, or for that matter any rehabilitated units will be required among other factors, to meet the requirements for handicapped persons as required by Americans with Disabilities Act, since most of all existing units occupied by the disabled were not designed and/or are not properly equipped to meet the special needs of this same category.

O. Estimate of Housing Needs Projected

The projected housing needs within San Germán were estimated based on various sources such as the 1990 Census, Puerto Rico Planning Board, Puerto Rico Department of Housing, and the local Section 8 Office. Housing needs in most communities of which San Germán is no different, come about as a result of the following:

1. High housing costs;
2. Housing located in areas subject to landslides, or unstable terrain;
3. Physically deteriorated housing;
4. Inadequate and overcrowded units.

The Puerto Rico Planning Board clearly indicates three (3) reasons for which a dwelling unit would be classified as being inadequate housing:

- a. High Housing costs;
- b. Being overcrowded;
- c. Being in a physical deteriorated condition.

It is in this regard that these general principles required to be operational through precise definitions according to the U.S. Census Bureau, such as a unit is considered overcrowded if the household consists of at least three persons and have 1.5 persons or more per room.

It should be noted, that households having unusually high housing costs when the following occurs:

- a. Two or more persons, with the heads of households less than 65 years of age paying more than 25 percent of their income for rent.
- b. Single person paying more than 35 percent of their income for rent;
- c. Two or more persons, with the heads of households over the age of 65, which are paying more than 35 percent of their income for rent.

Furthermore housing units lacking complete indoor plumbing facilities or deteriorated/dilapidated housing units having all plumbing facilities are regarded as being inadequate. In this regard, estimating the total needs for housing within San Germán was based on the various sources previously noted, regarding each of the three components of housing need.

From this analysis it was concluded that there exist housing needs for 1,348 housing units within the Municipality of San Germán covering extremely low and low income families. This same projection while based upon available data sources does not take into consideration any change and/or elimination of any existing housing programs, or a severe downturn in either the national or local economy.

The present municipal administration of San Germán is desirous in obtaining additional housing units over the next five years and preserving existing housing stock.

P. Barriers to Affordable Housing

Like any other community across this Nation, whether it be in Puerto Rico, or on the U.S. Mainland, the principle barriers to affordable housing within the Municipality of San Germán are:

1. The high cost of land development due to general lack of both vacant and available land;
2. The high cost of construction, which for the most part includes the construction of a sanitary sewer system, water lines, electrical services, within distant rural communities where vacant lands are currently available.

These combined factors representing the high cost, clearly indicates that better than 80% of the total population of San Germán would indeed require some kind of assistance in order to solve their housing problems.

At the present time the only source of purchasing a home within San Germán is by securing a private mortgage through a banking institution or mortgage lending institution, which for the most part is not approving mortgages to low or moderate income families. At the present time, it appears that the minimum income required to purchase a home, averages at least \$45,000. This same requisite along with a stable with a stable credit and employment recorded are required.

Bearing this in mind, if a family does not qualify to purchase a dwelling unit, then they qualify to rent a housing unit. This is more acute, since (1) there exists a lack of rental properties available, and (2) those units that are available for rent, are so costly ranging from \$350 to \$600 a month,

that without some form of a rental subsidy, are indeed beyond the low and moderate income families. This can be verified, since some 120 families are currently awaiting placement on a waiting list, seeking assistance under our own Tenant -based Subsidized Housing Assistance Program.

XI HOUSING MARKET ANALYSIS

A. General Characteristics

The significant characteristics of the housing market within the Municipality of San Germán area as follows:

	HOUSEHOLDS	TOTAL
YEAR ROUND UNITS		12,409
VACANT		1,585
FOR RENT		155
FOR SALE		118
OWNER OCCUPIED		8,208
RENTER OCCUPIED		2,616
OWNERS PAYING >30% HOUSING RATES		923
RENTERS PAYING >30% HOUSING RATES		722
UNITS LACKING COMPLETE PLUMBING FACILITIES		1,365
VERY LOW INCOME (UNITS)		1,713
LOW INCOME (UNITS)		2,339
MODERATE INCOME (UNITS)		2,580

PERCENT OF RENTER HOUSEHOLDS WITH INCOMES BELOW 51%:

HAMFI:

ELDERLY	22.8%
SMALL FAMILY	47.2%
LARGE FAMILY	19.7%

INCIDENCE OF OVERCROWDED HOUSEHOLDS:

Renters 13.1%

Owners 9.6%

BEDROOM SIZE:

<u>Renter Occupied -</u>		<u>Owner Occupied -</u>	
0-1	582	0-1	548
2	828	2	2,170
3	1,260	3	5,490
TOTAL	4,476	TOTAL	9,266

It should be noted, that the total population or some 34,962 persons reside on only some 54.5 square miles, representing a population density of some 641.5 persons per square mile.

Because of San Germán's terrain and the scarcity of available land for development, it makes the Municipality one of the highest population densities in Puerto Rico. This represents a major problem since land for housing construction is limited, and the cost of acquisition as well as the placement of the necessary infrastructure such as water, electric, and sewers, would place the cost of acquiring individual units way beyond the reach of low income families.

The tenant-based housing assistance program which is administered by the Municipality of San Germán, and funded by the U.S. Department of Housing and Urban Development include the following categories:

Housing Choice Vouchers	-61-
Family Self-Sufficiency	<u>-09-</u>
Total Tenant-based units	70
Administered by the Municipality	70

The need for secure, decent and sanitary housing within the Municipality of San Germán, is the fact that there is some 60 family currently on a waiting list seeking housing under this same program. When an acceptable rate per family within Puerto Rico is 3.5 persons per family, these

same 60 families requesting housing under the Tenant-based Subsidized Housing Program which is representative of some 210 persons or .6% of the total Municipal population.

The following table represents the households by income groups within San Germán:

ALL HOUSEHOLDS				
TOTAL	INCOME GROUPS			
	VERY LOW	OTHER LOW	MODERATE	ABOVE
10,776	7,091	1,868	528	1,289

B. Structural/Vacancy Characteristics

The 1990 U.S. Census of Population and Housing, indicate that of a total of some 12,409 housing units within the Municipality of San Germán, some 9,900 are classified as being single detached units while 1,257 units are one unit attached (duplex) units, and 453 housing units being within the 2 to 4 unit complex, and finally 763 housing units being classified as being within the five or more unit category.

This same U.S. Census of Population indicates that some 1,368 housing units are lacking complete plumbing facilities with a mean number of rooms being 4.8. The rental vacancy rate is listed as being 3.3, while the owners' vacancy rate is 1.4.

C. Demand for Housing

There clearly is a demand for housing within San Germán, due primarily to its location. The Municipality of San Germán is adjacent to the metropolitan area of Mayaguez and in close proximity to the metropolitan area of Ponce as well as the Municipality of Cabo Rojo and it has a major university located within the town. San Germán does possess the necessary major highways connecting with each of these same areas. The desire for housing within San Germán is primarily among the residents - sons and daughters of residents of San Germán, as a result of it being close- knit community.

However, as was stated earlier on this same submission, the general lack of availability of land for development, along with the high cost

of acquisition coupled with the high cost of construction and the general lack of governmental subsidized houses, places almost 80% of the total population of San Germán in a position that would require some form of government assistance and/or subsidies in order to purchase a home.

In this regard, the government, which includes federal, state, and local, has to deal with the following factors that are affecting the local market, which may include, but not necessarily be limited to the following factors such as:

1. Population growth;
2. Economic factor;
3. Family Income;
4. Land costs;
5. Construction costs;
6. Financing;
7. Interest payments;
8. Return of investment by either a financial institution and/or developer.

San Germán like so many other communities across this nation, must out of necessity, be forced to deal with one of the basic human needs which is that of housing.

While the population continues to grow, this same growth is primarily among the low and very low income groups, who are unable to deal with a mortgage payment of roughly \$600 or more. By the same token a review of both moderate and low income families that are in need of adequate, decent, and affordable housing, are lacking the capacity of paying high rents.

D. Percent of Renter Households With Incomes Below 51% HAMFI Having Any Housing Problems

It should be noted, that according to HUD's Comprehensive Housing Affordability Strategy (CHAS) Data book for Puerto Rico, the

Municipality of San Germán, has a total of 80.8% percent in which renter households with incomes below 51% HAMFI have any housing problems. The following chart provides the percent of incidence by family type:

PERCENT OF OWNER HOUSEHOLDS WITH ANY HOUSING PROBLEMS: 1990			
ALL HOUSEHOLDS			
PERCENT OF INCIDENCE BY INCOME GROUP			
TOTAL	0-30%	31-50%	51-80%
80.8	70.9	82.2	83.5

Source: CHAS Data Book (1990)

The following table represents a fairly accurate analysis of the Market and Inventory Conditions of the Municipality of San Germán:

MARKET AND INVENTORY CONDITIONS					
CATEGORY	TOTAL	VACANCY RATE %	BEDROOM (0-1)	BEDROOM (2-4)	BEDROOM (5 OR MORE)
TOTAL YEAR	12,409		1,391	3,587	8,431
OCCUPIED UNITS	10,824	4.7	1,076	2,998	7,750
OWNER	8,208	1.4	548	2,170	5,490
RENTER	2,616	3.3	528	828	1,260
VACANT UNITS	1,585		315	589	681
FOR SALE	155	1.4	21	15	119
FOR RENT	118	3.3	26	45	47
OTHER	1,312		268	529	515

Source: Bureau of the Census, 1990 Census of Population/CHAS Data Book 1990

E. Housing Market and Inventory Conditions

Both the 1990 Census of Population and likewise the Comprehensive Housing Affordability Strategy (CHAS) Data book of Puerto Rico provide both an accurate picture of the market conditions within the Municipality of San Germán.

Without exception of the total housing units (12,409), some 10,824 are occupied on a year round basis. In this regard, of the total occupied units (10,824), some 8,208 are occupied by the owner while the remainder 2,616 are occupied by renters, with the balance or 1,585 units being vacant.

It should be noted again, that the 1,685 units that are classified as being vacant are for the most part due to the high cost of rent and the lack of any additional subsidized rental assistance programs in order to assist low, very low and moderate income families who are unable to make the required monthly payments, in addition to making other basic expenses such as food, clothing, electric and water service.

F. Overcrowded Households

The Municipality of San Germán has according to the CHAS Data Book on Puerto Rico has among renters a total of 13.1 percent the incidence by income groups of being overcrowded, as that of some 9.6 percent for owners.

The following chart clearly indicates the incidence of overcrowded households by both tenure and income groups for all households and large related households:

INCIDENCE OF OVERCROWDED HOUSEHOLDS: 1990				
PERCENT INCIDENCE BY INCOME GROUP				
CATEGORY	TOTAL	0-30%	31-50%	51-80%
<i>All Renters</i>	13.1	13.9	14.1	9.7
<i>Large Renters</i>	47.0	53.2	30.0	47.2
<i>All Owners</i>	9.6	11.2	12.6	6.85
<i>Owners Other than elderly</i>	12.4	16.0	16.8	8.2

G. Identification of Concentrations of Low Income Areas/Racial-Ethnic Minorities

Due to San Germán's land area, there are no definable areas (rural or urban) with the exception of the location of the Public Housing Projects, that can be defined as areas of concentrations of low income

persons, when you consider that 75% of the total population has been classified as having incomes below the poverty level. These same poverty areas are clearly spread evenly throughout the entire municipality.

In terms of concentrations of either racial and/or minorities, the U.S. Census does not provide a breakdown of such categories within Puerto Rico, and as such, the population statistics include “all races”.

FURTHER FAIR HOUSING

It is HUD’s intent under the “Quality Housing and Work Responsibility Act of 1998”, that indeed created the merger of the Certificate and Voucher Programs into one market-driven program such as the Housing Choice Voucher Program, and thus require the Consolidated 5-Year Plan and Annual Plan, which provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance program, and other members of the public may locate basic PHA policies, rules and requirements concerning its operations, programs and services that benefit very low and low income families.

Based upon the latter, the Municipality of San Germán anticipates that the following will further fair housing during the one-year period which governs the Annual Plan, and thereby benefit those families, namely - the low and very low income families achieve safe, decent and affordable housing as well as self-sufficiency and economic independence.

ACTIVITIES:

REVIEW OF EXISTING HOUSING PROGRAM

The Municipality of San Germán will, in order to further fair housing within the community, monitor as well as continue to review all existing housing and housing programs currently being carried out within the community, so as to assure, that these same programs and/or projects are implemented in total compliance within existing applicable regulations.

COORDINATION BETWEEN PUBLIC/PRIVATE RESOURCES

The municipality will contact public and private operators of housing, including local financial institutions located within San Germán,

and provide them with both information and descriptive materials making them aware of the need to further fair housing.

COORDINATING INFORMATION/REGULATIONS

Working closely with the local HUD public housing division, the municipality will obtain copies of regulations and other training aids in order to provide seminars during the course of the five-year period of the Plan, in order to create a public awareness of the importance of fair housing.

CREATE AWARENESS OF LEAD BASE PAINT

HAZARDS

Since many of the private homes in San Germán were constructed prior to being informed that lead base paint represented a health hazard to all the members of the household, and the effect this same problem has upon children, the Municipality of San Germán is committed both in a short term (one-year), as well as in the long-term, to work with the Puerto Rico Department of Housing, in order to both develop and implement a viable, effective, safe, and cost-effective method of reducing this same hazard. While a great many precautions currently exist, effective abatement and likewise, hazard reduction activity requires participation from providers and contractors, aside from individual residents.

San Germán feels rather strongly, that in order to create an effective system of abatement services it must coordinate it's activities with other state agencies dealing with this same problem.

San Germán cooperating with both the public and private sectors will initiate the following actions in order to achieve the most desirable results:

ACTIVITIES:

COMPLYING WITH EXISTING REGULATIONS

The Municipality of San Germán, has an established goal of working closely with the existing management of the various Public Housing Projects located within our Community, to review all units in cooperation with the State Housing Department and other applicable State Agencies over the five-year period of the Consolidated Plan, in order to both assist and coordinate the required abatement services required.

XII RECENT RESULTS OF PHA'S AUDIT

The Municipality of San Germán has submitted to the HUD local office in Puerto Rico the findings of the most recent Single Audit that found our PHA in full compliance with established HUD regulations and procedures.

XIII ADDITIONAL INFORMATION REQUIRED

Substantial deviation from 5-Year Plan or amendment and/or modification to Annual Plan

In accordance with established HUD rules and regulations, the following will be the basic criteria that will be utilized by the Municipality of San Germán and it will constitute a substantial deviation from its 5-Year Plan and/or amendment or modification to its Annual Plan that has met full public process requirements including Resident Advisory Board Review:

- ! Changes to rent (i.e., minimum rent), admission policies and/or organization of the waiting list;
- ! Additions of new activities not included in the current Annual Plan;
- ! Any change with regard to the administration of the tenant-based programs, including but not limited to homerownership and its establishment.

XIV ESTABLISHED PHA PET POLICY

At the current time the Municipality has an established policy of allowing the owner and the family participant to reach an agreement of whether a pet is allowed in the dwelling unit.

XV SUMMARY

In order to be in compliance with 24 CFR Part 903 of HUD program regulations, the Municipality of San Germán has established the following standards and procedures to be carried out in furtherance of the plan.

Additionally, these same standards and procedures will ensure long-term compliance with the requirements of the programs involved, including but not necessarily limited to:

1. To provide low and very low income families the opportunity of choice and mobility in selecting where they want to live.
2. To maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.
3. To develop strategies that coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable eligible families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency.

It should be noted, that the Section 8 Office within the Municipality of San Germán will implement the necessary management systems and oversight controls, so as to assure, that the individual programs included within this same Plan are:

1. Completed within a timely manner in compliance with HUD's requirements;
2. That they are indeed in total compliance with existing federal and state applicable regulations.

Once a year a physical audit will be accomplished which will include not only the accountability of funds, but also an audit of the management system used to carry out the mandate of the Tenant-based Housing Program. This same in-depth review on an on-going basis will serve to determine the effectiveness of individual programs based upon such data as:

- ' Families Assisted;
- ' Subsidies granted;
- ' Complaints resolved;
- ' FSS families that moved onto become first-time homeowners;
- ' Families from the Moderate Rehabilitation Program that transferred into the FSS Program and the success of those families;
- ' The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

Additionally, reviews will also serve to identify implementation problems or non-compliance with goals and objectives of the Plan, and how the resources were used to assist the maximum number of beneficiaries.

The use of this same data will assist the Mayor, members of the Municipal Assembly, interested citizens of the community, participants of the Tenant-based Housing Assistance Program recommend changes within our strategy due to changes in the population characteristics and housing market within the Municipality of San Germán according to the 2000 Census.

In conclusion, the following areas will at a minimum, be reviewed in the monitoring process:

- ! Cash/Management System;
- ! Funds committed;
- ! Families serviced by income level (low, extremely low and moderate);
- ! Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;
- ! Identify weakness and problem areas;
- ! Staff resources and performance;

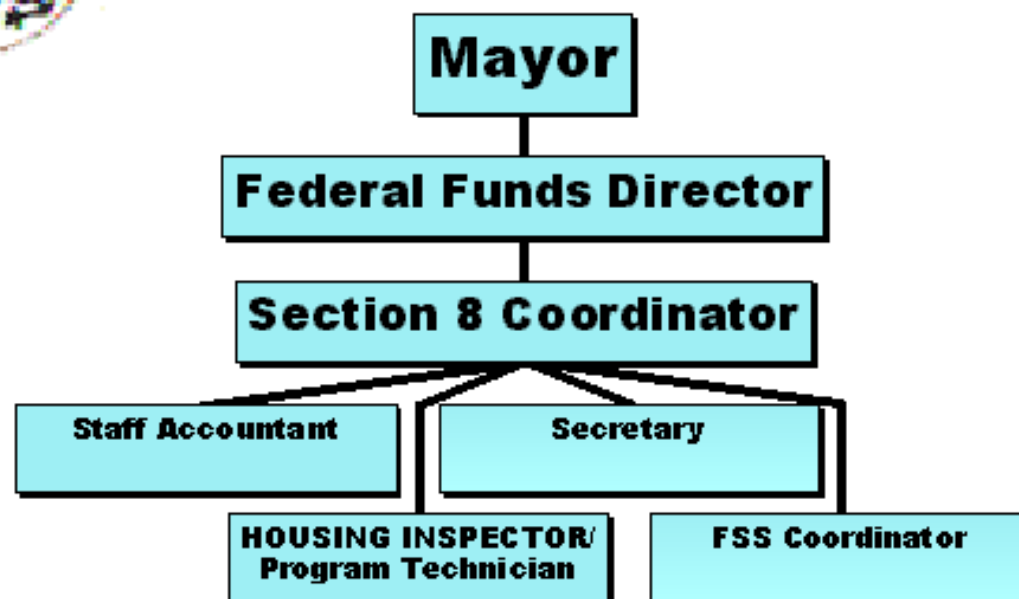
The Municipality of San Germán feels rather strongly that procedures contained herein will effectively perform the necessary monitoring of all programs so as to assure that these same programs both initiated and developed are in total compliance with the applicable regulations promulgated by HUD.

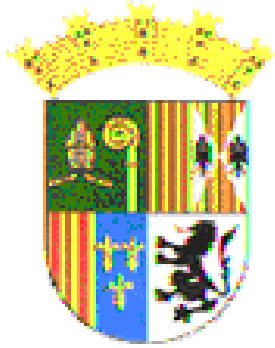


MUNICIPALITY OF SAN GERMAN

SECTION 8 SUBSIDIZED HOUSING PROGRAM

Hon. Isidro Negrón Irizarry
Mayor





MUNICIPALITY OF SAN GERMÁN

SECTION 8 SUBSIDIZED HOUSING PROGRAM

The following programs are administered by the Municipality of San Germán:

- ' Housing Choice Voucher Program
- ' Family Self-Sufficiency Program
- ' Part of the Consortium to Administer the FSS Program